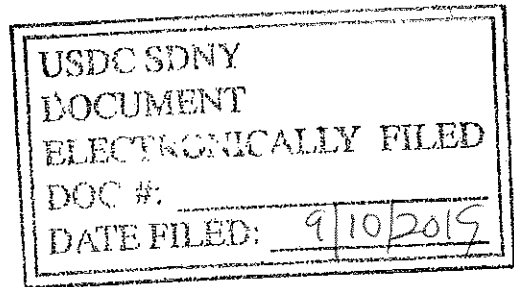


UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF NEW YORK



-----X
SECURITIES AND EXCHANGE COMMISSION,

Plaintiff,

-v-

DONALD G. BLAKSTAD and MARTHA PATRICIA
BUSTOS,

Defendants.
-----X

19cv6387 (DLC)

ORDER

DENISE COTE, District Judge:

On July 10, 2019, Plaintiff U.S. Securities and Exchange Commission ("SEC") filed this action against defendants Donald G. Blakstad and Martha Patricia Bustos pursuant to Section 21(d) of the Securities Exchange Act of 1934 ("Exchange Act") alleging that the defendants engaged in an insider trading scheme in violation of Section 10(b) of the Exchange Act and Rule 10b-5 thereunder. On September 9, 2019, the United States, through the U.S. Attorney for the Southern District of New York (the "Government"), moved to intervene in this case pursuant to Rule 24, Fed. R. Civ. P., and to stay this matter in its entirety pending resolution of a parallel criminal case, United States v. Donald Blakstad, No. 19cr486(ER).¹ Both of the defendants

¹ A criminal indictment charging Blakstad with securities fraud, wire fraud, and conspiracy to commit those offenses was unsealed on July 10, 2019.

consent to a complete stay of this case. The SEC does not oppose the Government's motion.²

This case and the parallel criminal case involve the same insider trading scheme, perpetrated by the same defendants during the same period of time. The facts, witnesses, and issues to be litigated overlap substantially. A stay of this case would prevent the circumvention of statutory limitations on criminal discovery, avoid asymmetrical discovery, promote judicial economy, and preserve the public interest. Moreover, while the SEC has its own enforcement mandate, the Government's interest in the enforcement of the federal criminal laws is not adequately protected by the existing parties in this civil litigation. Accordingly, it is hereby

ORDERED that the Government's motion to intervene pursuant to Rule 24, Fed. R. Civ. P., is granted.

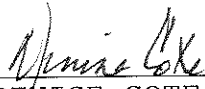
IT IS FURTHER ORDERED that this case is stayed in its entirety pending the completion of trial or other disposition in the parallel criminal case.

² The SEC does not oppose the Government's motion, but states in a responsive filing that it intends to continue its investigation into uncharged individuals involved in this matter, as well as into conduct that was not charged in the complaint.

IT IS FURTHER ORDERED that the Government shall submit a status letter by **December 13, 2019**.

SO ORDERED:

Dated: New York, New York
September 10, 2019



DENISE COTE
United States District Judge